

65 - INDEPENDENT AGENCIES - REGULATORY

407 - PUBLIC UTILITIES COMMISSION

Chapter 302 CONSUMER EDUCATION PROGRAM; ELECTRIC INDUSTRY  
RESTRUCTURING

SUMMARY - This rule implements a consumer education program to educate the public about implementation of retail access and establishes a funding mechanism for the program.

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**§ 1 PURPOSE OF RULE**

This rule implements a consumer education program to educate the public about implementation of retail access and its impact on consumers.

**§ 2 DEFINITIONS**

**A. Consumer Education Program.** Consumer education program means the program, undertaken, sponsored or expressly authorized by the Commission, to educate consumers about the implementation of electric industry retail access and its impact on consumers.

**B. Competitive Generation Provider.** Competitive generation provider means a marketer, broker, aggregator or any other entity selling electricity to the public at retail.

**C. Retail Access.** Retail access means the right of a retail consumer of electricity to purchase generation services from a competitive generation provider.

**D. Utility-Sponsored Education Activity.** Utility-sponsored educational activity means an activity that is not part of the consumer education program and that is initiated and sponsored by an electric or transmission and distribution utility to educate consumers about retail access.

**§ 3 PROGRAM SCOPE**

**A. Program Goals.** The goals of the consumer education program are to:

1. increase consumer awareness of retail access and related issues;
2. facilitate informed consumer decision-making about choices resulting from retail access; and
3. provide to consumers an objective and credible source of information relating to retail access.

**B. Consumers Targeted by Program.** The consumer education program is targeted to residential consumers, small business consumers, and municipal consumers.

**C. Topics for Education.** The topics of the consumer education program shall include but are not limited to:

1. existence of competitive generation services

2. choice of competitive generation providers
3. regulated transmission and distribution services
4. system reliability
5. aggregation
6. standard offer service
7. itemized billing
8. stranded costs
9. uniform disclosure requirements
10. low-income bill payment assistance programs
11. renewable energy resource programs
12. energy conservation programs
13. availability of "do-not-call" list
13. timeline for retail access

**D. Methods of Education.** The methods of education incorporated in the consumer education program may include, but are not limited to:

1. press releases and other press outreach methods
2. advertisements and public service announcements on television, radio, newspaper and other media
3. education delivered by community organizations
4. informational brochures and fact sheets
5. restructuring newsletters
6. direct mail and bill inserts
7. information clearinghouse at the Commission
8. Internet; Commission's home page on the world wide web
9. speakers' bureau
10. participation of community leaders in educational efforts
11. participation of large employers in educational efforts
12. public meetings
13. workshops for consumer groups
14. toll-free telephone hotline for questions about retail access

15. Booths at fairs and similar events

**§ 4 FUNDING**

**A. Level.** The consumer education program shall be funded up to \$1,600,000.

**B. Source.** To fund the design and implementation of the consumer education program, electric or transmission and distribution utilities shall pay a special assessment based on a proportion of those utilities' gross revenues from regulated services. This assessment is a just and reasonable operating cost for ratemaking purposes and shall be recoverable from ratepayers. Utilities may defer amounts paid under this section with carrying costs until an appropriate ratemaking proceeding. These amounts may be recovered from ratepayers notwithstanding any provision of a utility rate cap plan.

**C. Special Assessment.**

1. **Amount.** Every electric and transmission and distribution utility subject to assessment under 35-A M.R.S.A. § 116 is subject to an additional assessment on its gross intrastate operating revenues for regulated services. This assessment shall produce no more than \$200,000 in revenues in fiscal year 1997-98, no more than \$600,000 in revenues in fiscal year 1998-99, no more than \$600,000 in revenues in fiscal year 1999-2000, and no more than \$200,000 in revenues in fiscal year 2000-01.

2. **Billing and Due Dates.** The assessment for fiscal year 1997-98 will be billed upon the effective date of this chapter and any enabling legislation, whichever is later. The assessment shall be due 30 days after the billing date. The assessments for subsequent fiscal years will be billed on May 1, and shall be due on July 1 of each year.

3. **Accounting** The revenues produced from this assessment shall be used for the design and implementation of the consumer education program. These funds shall be raised and accounted for in accordance with the provisions of 35-A M.R.S.A. § 116, and shall be paid to the Treasurer of State and deposited in an account called the Public Utilities Commission Consumer Education Fund. Funds produced from this special assessment and not expended during any fiscal year may be carried over to the subsequent fiscal year. Any funds remaining in the Public Utilities Commission Consumer Education Fund at the conclusion of the program will be returned proportionally to assessed utilities by reducing their next annual assessment. The returned funds

shall be flowed through to ratepayers in an appropriate ratesetting proceeding.

## **§ 5 IMPLEMENTATION**

**A. Conduct of the Program.** The Commission shall design and implement the consumer education program. The Commission may contract for services for program design and implementation.

**B. Advisory Board.** The Commission shall form an advisory board, which shall include representatives of utilities, residential and nonresidential consumers, and competitive providers, to provide information, advice and assistance to the Commission, Commission Staff and any contractor the Commission may hire, pursuant to subsection A, in the development and implementation of the consumer education plan and program. The Commission shall appoint members to the board by April 1998. The Commission shall consider the recommendations of the advisory board in developing and implementing the consumer education plan and program.

**C. Proposed Consumer Education Program Plan.** The Commission shall issue a proposed consumer education plan and provide an opportunity for public comment on its proposed plan. The Commission shall adopt a plan by August 4, 1998.

**D. Modification of Plan.** The Commission may modify its consumer education plan based on the results of its evaluation(s) performed pursuant to this rule.

**E. Program Duration.** The consumer education program shall continue through September 2000. The Commission may extend the program upon a finding that continuation of the consumer education program is in the public interest.

## **§ 6 UTILITY-SPONSORED EDUCATIONAL ACTIVITIES**

**A. Ratemaking Treatment.** The costs of utility-sponsored educational activities shall not be included in electric or transmission and distribution utility rates unless the utility demonstrates in a ratemaking proceeding that expenditures for utility-sponsored educational activities are reasonable in amount, reasonably effective, necessary and in the public interest.

**B. Informational Filings.** Electric and transmission and distribution utilities shall file with the Commission, for informational purposes only, any materials that are part of or related to utility-sponsored educational activities. The materials shall be filed, whenever possible, at least three weeks

before the commencement of the activity of which the materials are a part or to which the materials relate.

**C. Investigation.** The Commission may investigate any utility-sponsored educational activity if it finds after a summary investigation that there are sufficient grounds to investigate whether the activity is misleading, deceptive or inaccurate. If after a public hearing, the Commission finds that the utility-sponsored activity is misleading, deceptive or inaccurate, it may by order require the utility to cease the activity and provide corrections of that activity.

## **§ 7 DISSEMINATION OF INFORMATION**

The Commission may require that electric and transmission and distribution utilities disseminate information produced as part of the Commission's consumer education program. Information required to be disseminated by the utility may include correction of any utility-sponsored education activity to the extent such correction is required by the Commission as a result of an investigation, undertaken pursuant to section 6(C).

## **§ 8 PROGRAM RESEARCH, MONITORING AND EVALUATION; REPORTS TO THE LEGISLATURE**

**A. Criteria for Monitoring.** The consumer education plan shall identify criteria the Commission will use to evaluate the consumer education program. The Commission may consider these criteria in determining whether to modify the program. Criteria will include target levels for consumer understanding of issues relating to retail access.

**B. Research.** The Commission may conduct research to tailor the consumer education program to the needs of consumers and to reach the target audience. Such research may include focus groups to test proposed messages and periodic surveys to assess program success and levels of consumer understanding of issues relating to retail access.

**C. Evaluation.** The Commission shall evaluate the effectiveness of the consumer education program in 1999 and at the conclusion of the consumer education program. The Commission may perform additional evaluations to determine the effectiveness of the consumer education program.

**D. Reports to Legislature.** The Commission shall file reports with the Legislature by December 31, 1999 and December 31, 2000 to report the results of the program evaluation. The Commission will provide this report as part of its annual restructuring report.

**BASIS STATEMENT:** The factual and policy basis for this rule is set forth in the Commission's Order Provisionally Adopting Rule and Statement of Factual and Policy Basis, Docket No. 97-583, issued on January 30, 1998 and in the Commission's Order Finally Adopting Rule and Statement of Factual and Policy Basis, issued on April 22, 1998. Copies of these Orders and Statements have been filed with this rule at the Office of the Secretary of State. Copies may also be obtained from the Administrative Director, Public Utilities Commission,. 242 State Street, 18 State House Station, Augusta, Maine 04333-0018.

**AUTHORITY:** 35-A M.R.S.A. §§ 104, 111, 301, 1301, 1303, 1306, 3201 and 3213(2).

**EFFECTIVE DATE:** This rule was approved as to form and legality by the Attorney General on May 7, 1998. It was filed with the Secretary of State on May 7, 1998 and will be effective on June 6, 1998.